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MONTANA LEGISLATIVE HISTORY

Chapter 369 19 93

Bill H _____ S 215 Original bill & history ✓ C

H. Committee on Local Gov		S. Committee on Local Gov	
Hearing Date(s) 3-16	✓ C	Hearing Date(s) 2-4	✓ C
3-25	✓ C	2-9	✓ C
_____	___ C	_____	___ C
_____	___ C	_____	___ C
Date Out _____	___ C		

Did this bill originate in an interim committee? ___Yes ___No

Committee _____ Report _____

SB 214 INTRODUCED BY WELDON, ET AL.

PROHIBIT VANDALIZING OF CAVES, PROVIDE PENALTY

1/20	INTRODUCED		
1/20	REFERRED TO NATURAL RESOURCES		
1/20	FIRST READING		
1/20	FISCAL NOTE REQUESTED		
1/25	FISCAL NOTE RECEIVED		
1/28	FISCAL NOTE PRINTED		
2/01	HEARING		
2/08	COMMITTEE REPORT—BILL PASSED AS AMENDED		
2/10	2ND READING PASSED	35	10
2/11	REVISED FISCAL NOTE REQUESTED		
2/11	3RD READING PASSED	40	10
	TRANSMITTED TO HOUSE		
2/15	REVISED FISCAL NOTE RECEIVED		
2/16	REVISED FISCAL NOTE PRINTED		
2/23	REFERRED TO NATURAL RESOURCES		
2/23	FIRST READING		
3/05	HEARING		
3/11	COMMITTEE REPORT—BILL CONCURRED AS AMENDED		
3/13	2ND READING CONCURRED	95	3
3/16	3RD READING CONCURRED	96	4
	RETURNED TO SENATE WITH AMENDMENTS		
3/19	2ND READING AMENDMENTS CONCURRED	47	0
3/20	3RD READING AMENDMENTS CONCURRED	41	0
3/24	SIGNED BY PRESIDENT		
3/26	SIGNED BY SPEAKER		
3/29	TRANSMITTED TO GOVERNOR		
3/31	SIGNED BY GOVERNOR		
	CHAPTER NUMBER 264		
	EFFECTIVE DATE: 10/01/93		

SB 215 INTRODUCED BY VAN VALKENBURG, ET AL.

ALLOW COUNTY OR MUNICIPALITY TO DONATE TAX-DEED LAND FOR HOUSING

1/20	INTRODUCED		
1/20	REFERRED TO LOCAL GOVERNMENT		
1/20	FIRST READING		
2/04	HEARING		
2/10	COMMITTEE REPORT—BILL PASSED AS AMENDED		
2/11	2ND READING PASSED	43	0
2/12	3RD READING PASSED	50	0
	TRANSMITTED TO HOUSE		
2/23	REFERRED TO LOCAL GOVERNMENT		
2/23	FIRST READING		
3/16	HEARING		
3/26	COMMITTEE REPORT—BILL CONCURRED		
3/30	2ND READING CONCURRED	88	9
4/01	3RD READING CONCURRED	89	10
	RETURNED TO SENATE		
4/07	SIGNED BY PRESIDENT		
4/07	SIGNED BY SPEAKER		
4/13	TRANSMITTED TO GOVERNOR		
4/16	SIGNED BY GOVERNOR		
	CHAPTER NUMBER 369		
	EFFECTIVE DATE: 04/16/93		

SENATE BILL NO. 215

INTRODUCED BY Van Valkenburg B Barkhurst

A BILL FOR AN ACT ENTITLED: "AN ACT ALLOWING A COUNTY OR A MUNICIPALITY TO DONATE TAX-DEED LAND TO A NONPROFIT CORPORATION FOR THE CONSTRUCTION OF RESIDENTIAL HOUSING; AND AMENDING SECTIONS 7-8-2301 AND 15-17-319, MCA."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

Section 1. Section 7-8-2301, MCA, is amended to read:

"7-8-2301. ~~Auction-sale~~ Disposal of county tax-deed land. (1) Whenever the county acquires land by tax deed, it is the duty of the board of county commissioners, within 6 months after acquiring title, to:

(a) make and enter an order for sale of the lands at public auction at the front door of the courthouse; or

(b) donate the lands to a nonprofit corporation as provided in subsection (6).

(2) A sale may not be made for a price less than the fair market value of the land, as determined and fixed by the board prior to making the order of sale. In determining fair market value, the board shall subtract the amount of outstanding assessments that are a lien on the land from the unencumbered value of the land, but the minimum sale price for a parcel of land may not be less than $10.

LC 0615/01

(3) If no bids are received at a sale of tax-deed land, the board shall order another auction sale of the land under this part within 6 months and may, if required by the circumstances, redetermine the fair market value of the land under subsection (2). In the period of time between the auction conducted under subsection (1), in which there were no qualifying bids for the property, and an auction held pursuant to this subsection, the board may sell the land by negotiated sale at a price that is not less than the fair market value that was fixed for the original auction under subsection (1).

(4) If no bid is received at the sale conducted under subsection (3), the board may dispose of the land as provided in 7-8-2218.

(5) Notwithstanding the amount of the fair market value fixed by the board prior to the auction, if the successful sale bidder is the delinquent taxpayer or ~~his~~ the taxpayer's successor in interest, ~~his~~ the taxpayer's agent, or a member of ~~his~~ the taxpayer's immediate family, the purchase price may not be less than the amount necessary to pay, in full, all county costs of conducting the sale, delinquent taxes, assessments, and all interest and penalties.

(6) A board of county commissioners may, upon expiration of the redemption period provided for in 15-18-111, donate the land to a nonprofit corporation for

SB 215 INTRODUCED BILL

the purpose of constructing:

(a) a multi-family housing development operated by the corporation; or

(b) single-family houses. Upon completion of a house, the nonprofit corporation shall sell the property to a low-income person who meets the eligibility requirements of the corporation. Once the sale is completed, the property becomes subject to taxation."

Section 2. Section 15-17-319, MCA, is amended to read:

"15-17-319. Sale or lease and disposition of proceeds from lands acquired by municipality. A municipality may sell, donate, or lease property it acquires under 15-17-317 in the same manner as a county may sell, donate, or lease tax-deed property under Title 7, chapter 8, part 23. All money received by the municipality from the sale or lease of such the land, after payment of the cost of sale, not to exceed $25, must be paid into the improvement fund to the extent of the delinquent assessments, interest, and penalties. The surplus, if any, must be paid into any revolving fund that secures payment of such special assessments or, if there are none, to the general fund of the municipality."

-End-

SENATE BILLS STATUS SHEET

Page #3

LOCAL GOVERNMENT COMMITTEE

BILL NUMBER	ENTERED COMMITTEE	CONSIDERED	OUT OF COMMITTEE	DP DO PASS	DNP DO NOT PASS	DPAA DO PASS AS AMENDED	DNPAA DO NOT PASS AS AMENDED
SB 156	1-14-93	1-28-93					
		2-2-93					
		2-11-93	2-11-93 (tabled)				
SB 157	1-14-93	1-28-93					
		2-2-93					
		2-9-93					
		2-11-93	2-11-93			✓	
SB 189	1-19-93	1-26-93					
		2-2-93					
		2-9-93	2-9-93			✓	
SB 215	1-20-93	2-4-93					
		2-9-93	2-9-93			✓	

FO2

MINUTES

MONTANA SENATE
53rd LEGISLATURE - REGULAR SESSION

COMMITTEE ON LOCAL GOVERNMENT

Call to Order: By Senator Kennedy, on February 4, 1993, at 1:00 p.m.

ROLL CALL

Members Present:

Sen. Ed Kennedy, Chair (D)
Sen. Sue Bartlett, Vice Chair (D)
Sen. Dorothy Eck (D)
Sen. Delwyn Gage (R)
Sen. Ethel Harding (R)
Sen. John Hertel (R)
Sen. David Rye (R)
Sen. Bernie Swift (R)
Sen. Eleanor Vaughn (D)
Sen. Mignon Waterman (D)
Sen. Jeff Weldon (D)

Members Excused: None.

Members Absent: None.

Staff Present: Connie Erickson, Legislative Council
Rosalyn Cooperman, Committee Secretary

Please Note: These are summary minutes. Testimony and discussion are paraphrased and condensed.

Committee Business Summary:

Hearing: SB 215, SB 221
Executive Action: None.

HEARING ON SB 215

Opening Statement by Sponsor:

Senator Fred Van Valkenburg, Senate District 30, stated SB 215 was drafted at the request of the Missoula chapter of Habitat for Humanity. He said SB 215 would allow local governments who acquire tax deed property to donate the property to a non-profit organization for the construction of residential housing. Senator Van Valkenburg stated Habitat for Humanity (Habitat) is a nationwide non-profit organization which constructs new housing

and rehabilitates existing housing for people who would otherwise be unable to own their own home. He said construction and rehabilitation of housing by Habitat for Humanity is done on a volunteer basis. Senator Van Valkenburg stated he was honored to be asked to carry this legislation by Professor Tom Payne of Missoula who ran against him for the State Senate in 1988.

Proponents' Testimony:

Ms. Nancy Griffin, Montana Building Industry Association, stated her organization promotes affordable housing. She said one of the single largest increases in Montana's housing expenses is the cost of property. As a result, Ms. Griffin said, this expense disenfranchises a large percentage of Montana's population from the housing market. She said SB 215 is a progressive piece of legislation that will allow local governments to get property back on the tax roles.

Professor Tom Payne, Missoula, spoke from prepared testimony in support of SB 215. (Exhibit #1) He stated he held Senator Van Valkenburg in high regard and appreciated his sponsorship of SB 215. Professor Payne also submitted to the Committee a letter in support of SB 215 from former Missoula County Commissioner Janet Stevens. (Exhibit #2)

Ms. Donna Ellison Ward, Bozeman chapter of Habitat for Humanity, spoke from prepared testimony in support of SB 215. (Exhibit #3)

Ms. Marjorie Burgan, Missoula chapter of Habitat for Humanity spoke from prepared testimony in support of SB 215. (Exhibit #4) She also submitted to the Committee a petition and letters from the Missoula Housing Task Force and Missoula County Commissioners in support of SB 215. (Exhibits #5-7)

Ms. Belinda Rinker, District Nine Human Resource Development Council (HRDC) of Bozeman, stated her organization's support for SB 215. She said the Bozeman chapter of Habitat for Humanity builds houses and sells them to families with annual incomes not exceeding $26,000. Ms. Rinker said the chapter is also looking to build multi-family 4-plexes that would rent to families with incomes as little as $800 a month. She said the two lots on which the chapter has built houses were purchased in tax sales for $5,000 each. Ms. Rinker added lots in the same subdivision now sell for $17,000 each which is out of the price range for Habitat for Humanity. She said the unprecedented increase in the cost of land does away with the level of affordability for moderately priced housing in Montana.

Mr. Alec Hansen, Montana League of Cities and Towns, stated his organization's unanimous support for SB 215.

Mr. Gordon Morris, Montana Association of Counties, stated his organization's support for SB 215.

Opponents' Testimony:

None.

Informational Testimony:

None.

Questions From Committee Members and Responses:

Senator Eck asked Mr. Morris or Mr. Hansen if SB 215 could extend to non-tax deeded property. Mr. Hansen stated he did not know the specific statute, but believed cities had the option of donating non-tax deeded property. Connie Erickson said 7-08-4201, which pertains to the disposal or lease of municipal property, states "the city or town council may sell, dispose of or lease any property belonging to the city or town". She said cities probably have more leeway than counties as state law has strict regulations as to how counties can dispose of property.

Senator Harding asked Ms. Burgan how many Montana Habitat for Humanity affiliates exist in Montana. She replied there are affiliates in Kalispell, Bozeman, Missoula, Great Falls, Helena and Billings plus interest in Butte and Polson.

Senator Waterman stated she had heard that Habitat for Humanity is the tenth largest builder in the nation. Ms. Burgan replied Habitat for Humanity is expected to be the nation's largest builder by the turn of the century.

Senator Gage asked Senator Van Valkenburg if SB 215 required the county to go through the tax deed sale process if they wanted to donate the property to Habitat for Humanity. Senator Van Valkenburg replied they would not.

Senator Gage asked what would happen if an individual offered to purchase tax deeded land for $100,000 but the county wanted to instead donate the land to Habitat for Humanity. Senator Van Valkenburg replied he believes local government officials are the appropriate officials to make these decisions which is why he assigned SB 215 to this Committee.

Senator Hertel asked Senator Van Valkenburg who would be responsible for determining who meets the requirements to receive the donated tax deeded property. Senator Van Valkenburg replied SB 215 designates the corporation to which the property has been donated as the responsible party for the multi-family housing units. This would include operation, ownership and future taxes. He said in the case of single family housing units, the responsibility falls on the family and, ultimately, the Habitat for Humanity chapter. Ms. Burgan stated Habitat for Humanity carries the mortgage on the home so they are co-owners of the

house until it is paid off. She said Habitat also carries a second mortgage on a house which is measured in time. Ms. Burgan explained this means if the family decides to move to another location and the house is sold, the family will receive a percentage of the money derived from the sale of the house based on the amount of time they lived there. She said the remainder of the money from the sale would go to Habitat for Humanity. Ms. Burgan said the family pays the mortgage on the house to Habitat for Humanity and then the mortgage payments are recycled within the organization for more housing.

Senator Harding asked Senator Van Valkenburg if the non-profit organization identified in SB 215 is always Habitat for Humanity. Senator Van Valkenburg replied Habitat for Humanity would probably be the primary non-profit organization to benefit from SB 215, however, he stated the legislation cannot be that specific. Senator Harding asked Senator Van Valkenburg if local governments could have different eligibility requirements for non-profit corporations which would benefit from SB 215. Senator Van Valkenburg said yes. He added local governments should be trusted to make those decisions.

Senator Weldon asked how many parcels of tax deeded land might be available for donation in the Missoula area next year and how many parcels Habitat for Humanity could use to build houses. Professor Payne stated he was unsure, but, Habitat has only two lots left on which they plan to build houses. He said the prospects for the future would depend on the amount of money Habitat is able to raise and the frequency with which they would receive donated tax deeded property if SB 215 were enacted.

Senator Gage asked if Habitat for Humanity is a statewide organization, to which Professor Payne replied it is a nationwide organization with 750 affiliate chapters throughout the country. Senator Gage asked if it would be possible to start a Habitat chapter in Cut Bank, to which Professor Payne replied it would.

Closing by Sponsor:

Senator Van Valkenburg stated he thought SB 215 had the potential to pass the Senate with unanimous support. He hoped the Committee would let him know if they had any concerns about SB 215.

HEARING ON SB 221

Opening Statement by Sponsor:

Senator Terry Klampe, Senate District 31, stated SB 221 would allow local health boards the discretion to adopt regulations restricting or prohibiting smoking in enclosed public places. He

ROLL CALL

SENATE COMMITTEE Local Government DATE 2-4-93

NAME	PRESENT	ABSENT	EXCUSED
Senator John "Ed" Kennedy	✓		
Senator Sue Bartlett	✓		
Senator Dorothy Eck	✓		
Senator Delwyn Gage	✓		
Senator Ethel Harding	✓		
Senator John Hertel	✓		
Senator David Rye	✓		
Senator Bernie Swift	✓		
Senator Mignon Waterman	✓		
Senator Jeff Weldon	✓		
Senator Eleanor Vaughn	✓		

FC8

Attach to each day's minutes

Remarks of Thomas Payne

in support of SB 215 (Van Valkenburg, Barnhart)

before Senate Committee on Local Government, State Senator Ed Kennedy, Chair

Thursday, February 4, 1 PM, Room 405, State Capitol Building

1. In supporting SB 2215 which would allow local governments to donate tax-deed land to a nonprofit corporation for the construction of residential housing, I am representing Habitat for Humanity of Missoula. I wish first to submit a supporting letter for SB 215 from Janet Stevens, Executive Director of Missoula's YWCA and formerly a Missoula County Commissioner.

2. Habitat in Missoula has built 3 homes for low-income families and has 2 planned for 1993. Nationally Habitat has built nearly 40,000 homes for low-income families.

a. building arrangements, costs, and repayment arrangements

3. Missoula housing, especially low-income housing, is in short supply. For Habitat, building sites are hard to find and costly.

a. Both city and county in Missoula have tax-deed property but, under present law, cannot donate it to Habitat.

4. SB 215 enables cities and counties to donate tax-deed property to organizations like habitat to in turn use for site for building a low-income home for a needy family which can then pay taxes on the home.

5. It must be stressed that the law here proposed does not impose a mandate but is permissive as far as local government is concerned.

a. But it is a good example of what Osborne and Gaebler call Reinventing Government, making possible the solution of a community problem through the joint action of public and private agencies.

SENATE LOCAL GOVERNMENT
EXHIBIT NO. 1
DATE 2-4-93
BILL NO. SB 215

SENATE LOCAL GOVERNMENT
EXHIBIT NO. 2
DATE 2-4-93
BILL NO. SB 215

YWCA

January 29, 1993

1130 West Broadway
Missoula, MT 59802
(406) 543-6691

Senator Ed Kennedy and committee members:

I am writing in support of SB215 as a former County Commissioner and current Executive Director of the Missoula YWCA. There have been many times over my eight years as a County Commissioner that property the County had taken for tax deed would have been ideal property for various non-profit organization endeavors. Habitat for Humanity is one of many fine examples.

It seems to me that if Counties are allowed by statute to donate property for Developmental Disability projects that it only makes sense that a number of other worthy causes be afforded the same opportunity.

The Missoula YWCA currently manages the HUD and YWCA funded Transitional Housing program which provides housing up to eighteen months for homeless families and individuals. These families and individuals are assisted with learning to become self-sufficient and, in fact, 83% of our residents have achieved self-sufficiency by finding good paying jobs and adequate housing by the time they left our services. It would be a help to us to be recipients of certain tax deed property that may be suitable for multi-family housing so that we can expand the number of units we are currently able to provide. What a great contribution bare land would be for non-profit organizations that provide a definite benefit to our community and state.

I urge you to support SB 215 and would be happy to answer any questions you may have. Thank you for your time and consideration.

Sincerely,

Janet Stevens

Janet Stevens
Executive Director
Missoula YWCA
1130 W. Broadway
Missoula, Mt. 59802
B - 543-6691 H - 543-4177

Senator Kennedy, Chairman, and Senator Bartlett, Vice Chairman, and other Members of the LOCAL GOVERNMENT Committee:

I am Donna Ellison Ward of Bozeman and am speaking for the passage of SENATE BILL 215. I represent HABITAT for HUMANITY of GALLATIN VALLEY, a non-profit organization dedicated to providing adequate housing for families with low economic resources. In 1991 a family moved into the first house our organization in Gallatin Valley built. This week the second home will be inhabited by a family, and we plan to build more homes as resources are obtained.

Our most urgent and difficult problem is securing affordable land upon which to build. By the time we purchase land and build homes, the cost becomes prohibitive for the potential homeowner.

Homes are sold to the families at no profit with approximately a 20-year, no-interest mortgage. The monthly payments include the full cost of taxes and insurance as well as the amounts for gradual repayment of the loan's principal. These potential home owners do not make a high enough income to obtain a conventional loan.

Therefore, if county and city municipalities can donate land for non-profit multi- and single housing units, the families' payments can be within their economic means.

Through volunteer labor and donations of money, materials, and management expertise, HABITAT builds these homes with the help of the future home owners, who are required to invest sweat equity hours. This partnership reduces the cost of the house, increases the pride of ownership and fosters positive relationships within our communities. Their monthly mortgage payments are then "recycled" to support the construction of future homes.

Another important advantage of building these homes will be that the lots and residences will be added to the tax rolls.

I strongly recommend and ask you to vote for the passage of Senate Bill 215

Donna Ellison Ward
11 Hoffman Drive #29
Bozeman, MT 59715

(406) 586-6726

SENATE LOCAL GOVERNMENT
EXHIBIT NO. 3
DATE 2-4-93
BILL NO. SB 215

HABITAT for HUMANITY of MISSOULA

A decent house, in a decent community for God's people in need,
Capital, not charity, & Co-workers, not caseworkers.
It works!

SENATE LOCAL GOVERNMENT
EXHIBIT NO. 4
DATE 2-4-93
BILL NO. SB 215

February 4, 1993

Senate Local Government Committee
Senator Ed Kennedy, Chair
Senator Sue Bartlett, Vice-Chair

I strongly **urge the passage of Senate Bill 215** which will allow counties and municipalities to donate land to a non-profit corporation for the purpose of constructing multi-family or single family housing which will be sold to low-income people.

I represent Habitat For Humanity of Missoula which is an ecumenical Christian housing ministry that builds simple decent houses WITH (not for) very low income people and then sells the house to them at No profit and No interest with a typical 30 year mortgage. The mortgage repayment is recycled to build more houses. Jimmy & Rosalynn Carter are the most famous volunteers.

We have built 3 houses in Missoula, putting 18 people (13 children) into simple, decent, safe, warm and affordable shelter. They have become property taxpayers. We plan to build WITH 2 more families this year, 1993 - (16 people-incl 12 children).

(Habitat for Humanity of Missoula has only been in existance 3 years. We were incorporated as a non-profit organization in the State of Montana in May, 1990. Habitat For Humanity International is 17 years old. We are moving to break the cycle of poverty one family at a time.)

After this year, we have no more property and no leads of acquiring property at a price at which we can afford to build a house and sell it to a low income family. No one seems to be willing to donate or even to sell any suitable property at a low cost - we have several real estate agents always looking for us.

Flathead Valley Partners, (the Habitat affiliate in Kalispell-Whitefish-Columbia Falls-Bigfork) is experiencing an even greater escalation of property values than the Missoula Valley has seen.

The **passage of Senate Bill 215**, would benefit Habitat affiliates all over the state - Kalispell, Missoula, Bozeman, Great Falls, Helena, Billings all have affiliates, with the Butte area and Polson wanting to start. We also hear that some areas of eastern Montana and the Bitterroot Valley are interested in starting Habitat affiliates.

Well built, affordable housing for low income families is greatly needed in this state. This bill has the potential to help us (Habitat For Humanity) build affordable housing. It could allow funds, which are donated to us, to go much farther, much faster.

In partnership,

Marjorie L.C. Burgan

Marjorie L.C. Burgan
President of the Board of Directors

P.O. Box 7181, Missoula, Montana 59807

HABITAT for HUMANITY
of MISSOULA

A decent house, in a decent community for God's people in need,
Capital, not charity, & Co-workers, not caseworkers.
It works!

February 2, 1993

Senator Ed Kennedy, Chair
Senate Local Government Committee
Room 405 Capitol Building
Helena, MT 59601

SENATE LOCAL GOVERNMENT
EXHIBIT NO. 5
DATE 2-4-93
BILL NO. SB 215

Dear Senator Kennedy,

WE THE UNDERSIGNED, ATTENDING THE ANNUAL MEETING OF HABITAT FOR HUMANITY OF MISSOULA, **URGE THE PASSAGE OF SENATE BILL 215** WHICH ALLOWS COUNTIES AND MUNICIPALITIES TO DONATE LAND TO A NON-PROFIT FOR THE PURPOSE OF CONSTRUCTING MULTI-FAMILY OR SINGLE FAMILY HOUSING WHICH WILL BE SOLD TO LOW INCOME PEOPLE.

Sincerely, Debra Holeson 706 E. Travois Missoula 59802
David Grossteen 2609 Sky Dr. Missoula 59801
50 Mullan Gulch Road St. Regis, MT. 59872
Tom Lacey 418 Plymouth St. Missoula
Bill Lamare 4321 TIMBERLANE MISSOULA, MT 59802
Lee & Mary Ellin Stubb 9180 Sixmile Mala., MT 59802
Vicki & Walt Tomasak 143 Fairway Dr. Missoula, MT. 59803.
Larry & Wanda Hanson 2216 palmer Apt B Missoula, MT 59802
Ray & Susan Risho 302 S. 4th W. Missoula, MT. 59801
Jack Atkins 19 GREENBRIAR LANE, MISSOULA, MT 59802-3301
Camilla D. Cooper 116 Wapi Riya Dr. Mssla
M. A. Cooper 116 Wapi Riya Dr. Mssla
Becky Kress 120 Wapikiya Missoula
Fran Heimbuchin 3318 Hollis Msla, MT. 59801
Laura J. Cooley 615 Dickinson St. Missoula, MT. 59802

(over)

Jean L. Kunz	656 Evans Ave. Msla, MT 5980
Susie Roh	302 S. 4th W. Msla. MT 59801
James & Palsin	247 S. Easy St Msla MT 59802
[illegible]	908 Parkview Msla MT 59803
[illegible]	1010 Lynn Ln Msla MT 59801
Betty Jane Ted P. [illegible]	523 Dearborn Ave Msla MT 59801
Sharon M. McCrea	908½ Elm Missoula, MT 59802
Rick Taylor	2404 Rattlesnake, Missoula, MT 5980
Thomas DoLese	238 E Sussex, Missoula, MT 5980
Olive L. Rodgers	2903 Duncan Dr., Missoula, MT 59802
Winifred Osburn	3208 Bancroft Missoula Mt 59801
[illegible]	219 S. 4th St. W. Missoula, MT 5980
Wayne Erosman	P.O. Box 23, " " 5980
Eleanor Bussing SP	1141 Cleveland " " 59801
Heather Mossfick	219 S. 4th W. Msla 59801
Brenda J. Holland	2612 Cardinal Dr Missoula 59803
Mark J. Jackson	3000 Queen St. Missoula 59801
Dorothy Bussing SP	1141 Cleveland " " 5980
Mac Mauhay	9125 Sharptail Dr. Msla, MT. 5980
Catherine Matthews	120 Craighead Msla MT 59801
Shirley Hales	801 Cottonwood Msla, MT 59801
Dorothy Bynum	509 Hastings Msla, MT 59801
Peggy Stillman	2327 W. Vista - Msla, MT. 59803
Cathy L. Graham	30 Willowbrook Missoula, MT 59802
Lon Graham	216 Gerald Missoula, MT 59803
Sr. Elizabeth Ellen, BVM	2330 Cottage Court #A, Missoula 59

Missoula Housing Task Force

City of Missoula
Missoula County
The University of Montana

Phone: 406-523-4718

SENATE LOCAL GOVERNMENT
EXHIBIT NO. 6
DATE 2-4-93
BILL NO. SB 215

Senator Ed Kennedy, Chair
Senate Committee on Local Government
Room 405, Capitol Building
Helena, MT 59601

Dear Chairman Kennedy:

On behalf of the Missoula Housing Task Force, we urge you to pass Senate Bill 215, which would allow local governments to donate land to non-profit organizations for the purposes of constructing housing for low income households. The Missoula Housing Task Force includes representation from over 35 community organizations and businesses including: all of Missoula's banks and savings and loans; Montana People's Action; Missoula County Association of Realtors; Missoula Building Industry Association; Missoula Food Bank; Missoula Housing Authority; District XI Human Resource Council; Missoula Habitat for Humanity; Alliance for the Mentally Ill; Aging Services; Summit Independent Living, Inc. (disabled advocate); Missoula Head Start; Poverello Center (Homeless Shelter); Stepping Stones (mentally disabled); WORD; YWCA; Refugee Assistance Council; The University of Montana; and individual property managers, developers, planners, and numerous city and county agency staff.

The Task Force as a whole has developed, endorsed, and is implementing over 35 recommendations to improve the availability of safe, healthy, affordable housing in Missoula. One of these recommendations is that Habitat for Humanity take the lead in pursuing the legislation necessary to permit the donation of land for affordable housing purposes. This ability is particularly critical in Missoula, where land values have increased substantially over the past two years in response to our severe housing shortage.

Missoula's vacancy rate for rental units is effectively less than 1%, and that for single-family homes is estimated to be less than 3%. Data indicates that average rental costs for a moderate 2-bedroom apartment have increased at least 40% since spring of 1990, and average home purchase cost has increased by 20%. In the face of these costs, affordable housing for rent or purchase is in very short supply. New construction of affordable units is a critical need.

Data from the survey commissioned by the Task Force indicates that over half the households in Missoula make less than $25,00 year. It is not possible for the market to construct new housing inexpensively enough to be affordable to many of these households. Enabling local governments to donate land will provide one tool in helping cut the cost of new construction so that housing will be available to the majority of Missoulians who can not afford more than $500/month rent or $600/month in mortgage payments.

Again, we urge you and the members of your committee to pass Senate Bill 215, and give us one tool we need to address our housing affordability needs.

Sincerely:

Fern Hart

Fern Hart, Co-Chair
Commissioner, Missoula County

Daniel Kemmis

Daniel Kemmis, Co-Chair
Mayor, City of Missoula

MISSOULA COUNTY

BOARD OF COUNTY COMMISSIONERS
200 W BROADWAY ST
MISSOULA MT 59802-4292

(406) 721-5700

BCC-93-046
January 28, 1993

Senator Ed Kennedy
Chair, Senate Local Government Committee
Montana State Legislature
Capitol Station
Helena, MT 59620

SENATE LOCAL GOVERNMENT
EXHIBIT NO. 7
DATE 2-4-93
BILL NO. SB 215

Dear Senator Kennedy:

You and your fellow Committee members now have under consideration Senate Bill 215, a bill for an Act entitled, "An Act allowing a county or a municipality to donate tax-deed land to a nonprofit corporation for the construction of residential housing; and amending Sections 7-8-2301 and 15-17-319, MCA."

We, the members of the Board of County Commissioners of Missoula County, wish to express our support for Senate Bill 215, and urge your Committee to recommend its passage. We note with satisfaction that this legislation, if enacted, will not impose a mandate, but will grant counties discretionary authority enabling them, when their commissions deem it appropriate, to cooperate with nonprofit bodies which seek to provide housing for low-income families.

Our county currently is experiencing a shortage of such housing. We have noted and applauded especially the contributions that Habitat for Humanity of Missoula, a supporter of the bill under consideration, has already made and continues to make towards meeting housing needs in the Missoula area through its recent and current home-building program. The legislation now under consideration will provide a useful means by which public and private, nonprofit groups such as Habitat for Humanity, can cooperate in solving common local housing problems.

Respectfully submitted,

BOARD OF COUNTY COMMISSIONERS

Ann Mary Dussault, Chair

Barbara Evans, Commissioner

Fern Hart, Commissioner

BCC:lb

MINUTES

MONTANA SENATE
53rd LEGISLATURE - REGULAR SESSION

COMMITTEE ON LOCAL GOVERNMENT

Call to Order: By Senator Kennedy, on February 9, 1993, at 1:00 p.m.

ROLL CALL

Members Present:

Sen. Ed Kennedy, Chair (D)
Sen. Sue Bartlett, Vice Chair (D)
Sen. Dorothy Eck (D)
Sen. Delwyn Gage (R)
Sen. Ethel Harding (R)
Sen. John Hertel (R)
Sen. David Rye (R)
Sen. Bernie Swift (R)
Sen. Eleanor Vaughn (D)
Sen. Mignon Waterman (D)
Sen. Jeff Weldon (D)

Members Excused: None.

Members Absent: None.

Staff Present: Connie Erickson, Legislative Council
Rosalyn Cooperman, Committee Secretary

Please Note: These are summary minutes. Testimony and discussion are paraphrased and condensed.

Committee Business Summary:

Hearing:	SB 244, HB 39, HB 44, HB 169
Executive Action:	SB 112, SB 189, SB 215, SB 230, SB 243, HB 39, HB 169

HEARING ON SB 244

Opening Statement by Sponsor:

Senator Ethel Harding, Senate District 25, stated SB 244 would grant counties or municipalities the authority to issue revenue bonds to finance treatment facilities for the developmentally disabled. She said it was her opinion these facilities were erroneously omitted from the list of agencies authorized to obtain revenue bonds.

Senator Vaughn stated she opposed SB 230 because she believes people should have the right to participate in politics and belong to a political party.

Senator Kennedy stated he opposed SB 230 because he was concerned the measure would not restrict the number of people running for a particular office. Senator Kennedy stated he was the first person to run for Mayor of Kalispell as a partisan candidate. He said it gave some indication of philosophy but really made no difference.

Senator Eck stated county government officials in her county are mandated to run as nonpartisan and they feel they cannot participate in partisan activities if they so desired.

Vote:

The Do Pass motion on SB 112 FAILED eight votes to three by roll call vote.

Motion/Vote:

Senator Eck moved SB 230 DO NOT PASS. The motion CARRIED eight votes to three by a reversal of the roll call vote. Senator Kennedy will carry the adverse Committee report.

EXECUTIVE ACTION ON SB 215

Motion:

Senator Waterman moved SB 215 DO PASS.

Discussion:

Connie Erickson stated SB 215 and SB 157 were different enough in intent that it would not be a good idea to amend SB 215 to include the issues addressed in SB 157.

Senator Eck asked if SB 215 would allow cities to donate land with property. Senator Bartlett replied these statutes cover all property acquired by tax deed by the county. She said the land may be bare or have improvements on it.

Senator Hertel asked if SB 215 tied the hands of counties or municipalities by specifying the donation must be property. Senator Waterman said Senator Hertel had a valid concern but hoped the Committee would not tinker with the bill and run the risk of creating opposition. Senator Rye said counties have more restrictions now because they cannot even donate tax deed land.

Senator Weldon asked if SB 215 should have an immediate effective date.

Motion/Vote:

Senator Weldon made a substitute motion to amend SB 215 to add an immediate effective date. MOTION CARRIED UNANIMOUSLY.

Motion/Vote:

Senator Waterman moved SB 215 DO PASS AS AMENDED. MOTION CARRIED UNANIMOUSLY.

Discussion on SB 157:

Senator Kennedy asked Mr. Hansen, Montana League of Cities and Towns, to tell the Committee more about the problem in Chinook which necessitated the drafting of SB 157. Mr. Hansen said the City of Chinook wants to tear down several buildings on tax deeded property, however the county will not release the property without the payment of back taxes. Mr. Hansen asked the Committee to delay executive action on SB 157 until the next meeting date when a solution would be forthcoming.

Discussion:

Senator Kennedy asked Mr. Hansen, Montana League of Cities and Towns, to tell the Committee about his request for a Committee bill to deal with Special Improvement Districts (SIDs). Mr. Hansen stated in the last few months, there has been a problem with the application of I-105 to SIDs and rural SIDs. He said there is a question as to whether or not these levies are completely outside of I-105. Some counties have determined, Mr. Hansen said, that these levies are outside of I-105. He said the Department of Commerce has advised cities, towns and special districts that the property tax freeze meant the combination of mills and value in 1987 was the limit. Mr. Hansen added this matter has been referred to the Attorney General who has not made a decision. He said two bills dealing with this problem had been drafted in previous sessions but the final law was written by a subcommittee. Mr. Hansen added there were no notes taken from the Conference Committee proceedings so there is no way to determine legislative intent. He said the Legislature should clarify the intent of the law and determine if SIDs fall within I-105. Mr. Hansen stated this request is not to expand taxing authority but to clarify legislative intent. He hoped the Committee would recommend a Committee bill to resolve this matter and apologized for the lateness of the request. Mr. Hansen said the League had hoped the Attorney General would render a decision, however, he has declined to issue a ruling.

Mr. Morris, Montana Association of Counties, stated he and Mr. Hansen do not agree on this issue and added he was disappointed the Attorney General declined to issue a ruling. He said he believes there is no question of jurisdiction and hoped Mr. Hansen would abandon his request for a vommittee bill.

Senator Gage stated he believed the intent of I-105 was to mandate that no individual property would be taxed at a higher rate than in 1986 except in emergency situations. He said it is difficult for counties to make sure this situation is not occurring.

Senator Waterman asked when the deadline was to request a committee bill, to which Connie Erickson replied February 13th. Senator Weldon asked if the Committee would then have to comply with the transmittal deadline, to which Connie Erickson said yes.

Senator Eck asked if this request for a committee bill was a revenue bill. She said if the committee bill was to be requested, it should be done by the Taxation Committee.

Senator Waterman stated she did not object to requesting a committee bill but added it would be better drafted by the Taxation Committee.

Senator Kennedy asked Mr. Hansen which Attorney General refused to issue a ruling on the case. Mr. Hansen replied the previous Attorney General did not issue a ruling before he became governor and the present Attorney General has not dealt with the issue. He said he did not object to having the Taxation Committee deal with the problem but asked the Committee to request the committee bill to meet the upcoming deadline.

Senator Kennedy asked the Committee to signify by vote if they supported Mr. Hansen's request for a committee bill. While the majority of Committee members did not object, Senator Eck asked the Committee to delay a decision until the next meeting date when she and Senator Gage would have the opportunity to talk to fellow members in the Taxation Committee regarding this issue.

SENATE STANDING COMMITTEE REPORT

February 10, 1993

MR. PRESIDENT:
We, your committee on Local Government having had under consideration Senate Bill No. 215 (first reading copy -- white), respectfully report that Senate Bill No. 215 be amended as follows and as so amended do pass.

Signed: John Ed Kennedy Jr.
Senator John "Ed" Kennedy, Jr., Chair

That such amendments read:

1. Title, line 6.
Strike: "AND"

2. Title, line 7.
Following: "MCA"
Insert: "; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE"

3. Page 3.
Following: line 22
Insert: "NEW SECTION. Section 3. Effective date. [This act] is effective on passage and approval."

-END-

Amd. Coord.
Sec. of Senate

- BILL NO -	- REFERRED -	- HEARING -	- OTHER CONSIDERATION DATES -	- EXECUTIVE ACTION/DATE/VOTE -------	- REREFERRED ----	- DATE READ
SB0106	GAGE, DEL 1/26	3/09	3/16	REVISE REFUND OF TAXES BY COUNTY COMMISSIONERS CONCUR 04/06 VOTE: 9-5		4/07
SB0112	HARDING, ETHEL 2/23	3/11		CONST. AMENDMENT REQUIRING ELECTORATE APPROVE CONSOLIDATING COUNTY OFFICES CONCUR 03/16 VOTE: 11-5		3/17
SB0139	TOWE, TOM 1/26	3/11		LOCAL GOVERNMENT INVESTMENT IN OBLIGATIONS GUARANTEED BUT NOT ISSUED BY U.S. CONCUR AS AMENDED 03/11 VOTE: 9-6		3/12
SB0149	REA, JACK 2/06	3/16		REVISE DUTIES OF COUNTY COMMISSIONERS RE: ROADS CONCUR 03/16 VOTE: 16-0		3/17
SB0157	JERGESON, GREG 2/23	3/16		COUNTY CAN ASSIGN "IN-CITY" PROPERTY TO CITY AFTER RECEIVING IT VIA TAX SALE CONCUR 03/25 VOTE: 16-0		3/26
SB0159	BARTLETT, SUE 1/30	3/04		REVISE TAX DEED PROCESS CONCUR 3/14 VOTE: 14-0		3/05
SB0189	DOHERTY, STEVE 2/23	3/23		REQUIRE CURRENT & DELINQUENT TAXES BE PAID BEFORE PROPERTY SPLIT OR COMBINED CONCUR AS AMENDED 3/25 VOTE: 16-0		3/26
SB0215	VAN VALKENBURG, FRED 2/23	3/16		ALLOW COUNTY OR MUNICIPALITY TO DONATE TAX-DEED LAND FOR HOUSING CONCUR 3/25 VOTE: 14-2		3/26
SB0244	HARDING, ETHEL 2/23	3/11		INDUSTRIAL DEVELOPMENT BONDS FOR DEVELOPMENTALLY DISABLED FACILITIES CONCUR 03/11 VOTE: 13-2		3/12
SB0273	STANG, BARRY 2/23	3/04		REMOVE RESTRICTION ON POLICE OFFICERS WORKING ELSEWHERE IN CITY GOVERNMENT CONCUR 03/04 VOTE: 14-0		3/05
SB0288	FRITZ, HARRY 2/23	3/23		LOCAL GOVERNMENT RECORD RETENTION COMMITTEE CONCUR AS AMENDED 03/25 VOTE: 16-0		3/26
SB0298	BARTLETT, SUE 2/23	3/23	03/23	AMEND MUNICIPAL FINANCE CONSOLIDATION ACT TO INCLUDE SERVICE DISTRICTS CONCUR 03/25 VOTE: 16-0		3/26

MINUTES

MONTANA HOUSE OF REPRESENTATIVES
53rd LEGISLATURE - REGULAR SESSION

COMMITTEE ON LOCAL GOVERNMENT

Call to Order: By **CHAIRMAN NORM WALLIN**, on March 16, 1993, at 3:00 p.m.

ROLL CALL

Members Present:

Rep. Norm Wallin, Chairman (R)
Rep. Ray Brandewie, Vice Chairman (R)
Rep. Ellen Bergman (R)
Rep. John Bohlinger (R)
Rep. Tim Dowell (D)
Rep. Dave Ewer (D)
Rep. Stella Jean Hansen (D)
Rep. Jack Herron (R)
Rep. Ed McCaffree (D)
Rep. Tim Sayles (R)
Rep. Liz Smith (R)
Rep. Randy Vogel (R)
Rep. Karyl Winslow (R)
Rep. Diane Wyatt (D)

Members Excused: Rep. Dave Brown (D), Rep. Sheila Rice (D)

Members Absent: None

Staff Present: Bart Campbell, Legislative Council
Pat Bennett, Committee Secretary

Please Note: These are summary minutes. Testimony and discussion are paraphrased and condensed.

Committee Business Summary:

Hearing: SB 157, SB 364, SB 149, SB 215, SB 358
Executive Action: SB 49, SB 106, SB 112, SB 149, SB 358

HEARING ON SENATE BILL 157

Opening Statement by Sponsor:

SEN. GREG JERGESON, SD 8, Chinook, introduced SB 157 explaining the changes made by the Senate Local Government Committee which made the statute permissive. A county may donate tax deed property to the city with the city's consent. Current statutes prohibit the transfer of property between the city and the

Proponents' Testimony:

Beverly Gibson, Montana Association of Counties (MACo), expressed support for SB 149 saying it is permissive and gives flexibility to local authorities.

Opponents' Testimony: None.

Questions From Committee Members and Responses: None.

Closing by Sponsor:

SEN. REA thanked the committee closed on SB 149.

HEARING ON SENATE BILL 215

Opening Statement by Sponsor:

SEN. FRED VAN VALKENBURG, SD 30, Missoula, introduced SB 215 as a bill which would permit local governments to donate land obtained by tax deeds to organizations like Habitat for Humanity who are in the business of building or remodeling homes for people who otherwise would be unable to afford housing. SB 215 provides a solution for property which is not producing revenue for local governments and to rehabilitate that property, bringing it back on the tax roles.

Proponents' Testimony:

Tom Payne, Habitat for Humanity (HH), testified in support of SB 215. He stated that in Missoula the HH has built three houses for families, with two more in the progress. The organization has been facing difficulty in acquiring land which is acceptably priced. The city and county have tax deed property which would meet that requirement. **Mr. Payne** said he has met with city and county officials to explore the possibilities. The bill will not place hardships on anyone and local governments will have the discretion to donate property or not.

Peggy Stellmach, Board of Directors, Habitat for Humanity, Missoula, testified in support of SB 215. **EXHIBIT 7** She also submitted written testimony from other proponents who could not attend the meeting. **EXHIBITS 8, 9, and 10**

Robert Ward, Habitat for Humanity, Gallatin Valley, testified in support of SB 215. **EXHIBIT 11**

Belinda Rinker, Bozeman Human Resource Development Council (HRDC), testified in support of SB 215. She noted that in Bozeman the HRDC has been trying to develop low and moderate income housing. Four years ago HRDC bought two lots at $5,000 each; those same lots today are selling for $20,000. HRDC is trying to build homes which would allow individuals with incomes between

$18,000 to $26,000 per year to purchase a home. SB 215 is not limited to the Habitat for Humanity, there are other agencies around the state concerned with the lack of available housing.

Clyde Dailey, Montana Senior Citizen's Association, testified in favor of SB 215, saying this legislation is a good partnership between private entities, private non-profits, government and the financial community.

Beverly Gibson, Montana Association of Counties, (MACo), expressed support for SB 215.

Opponents' Testimony: None.

Questions From Committee Members and Responses:

REP. WYATT asked how this law would impact the Neighborhood Housing Authority. **Ms. Rinker** replied that those authorities incorporated as a nonprofit organization would be able to take advantage of this.

REP. VOGEL asked **SEN. VAN VALKENBURG** if, on page 3, line 4 & 5, they limit it to nonprofits because they are nontaxable. **SEN. VAN VALKENBURG** said a nonprofit organization would not be subject to a corporate license tax. However, the property they own will be subject to property taxes.

REP. VOGEL asked if, once the sale is completed, the property is subject to taxation. **Mr. Ward** explained that the property goes back on the tax role when the first sale is made to Habitat for Humanity. It is not delayed until the house is built.

REP. McCAFFREE asked **SEN. VAN VALKENBURG** what guidelines nonprofits operate under. **SEN. VAN VALKENBURG** said nonprofit corporations have requirements which have been established by law. Montana has a Uniform Nonprofit Corporation Act which requires annual reports to be filed with the Secretary of State. Nonprofits are required to live within their charter of nonprofit status and if not, risk having their nonprofit status revoked by the Secretary of the State. Nonprofit corporations are also subject to audits by the Department of Revenue.

Closing by Sponsor:

SEN. VAN VALKENBURG closed on SB 215 saying **REP. BARNHART** would carry the bill.

HEARING ON SENATE BILL 358

Opening Statement by Sponsor:

SEN. DAVID RYE, SD 47, Billings, introduced SB 358 on behalf of **SEN. TOM HAGER,** who is not able to attend due to ill health.

EXHIBIT 4
DATE 3/16/93
SB SB215

HABITAT for HUMANITY
of MISSOULA

A decent house, in a decent community for God's people in need,
Capital, not charity, & Co-workers, not caseworkers.
It works!

To Whom it May Concern:

Please find enclosed a petition signed by those attending our Habitat for Humanity Annual Meeting supporting the passage of Senate Bill 215.

Also enclosed is our statement in the form of a letter from President Marjorie Bergan explaining our position on the passage of the above Senate Bill.

Affordable housing is crucial to the well being of our state starting with the smallest community or family.

Thank You,

Peggy Stellmach
Habitat for Humanity Missoula
Board of Directors

P.O. Box 7181 Missoula, Montana 59807

EXHIBIT 8
DATE 3/16/93
SB SB 215

HABITAT for HUMANITY of MISSOULA

A decent house, in a decent community for God's people in need,
Capital not charity, & Co-workers, not caseworkers.
It works!

February 4, 1993

Senate Local Government Committee
Senator Ed Kennedy, Chair
Senator Sue Bartlett, Vice-Chair

I strongly urge the passage of Senate Bill 215 which will allow counties and municipalities to donate land to a non-profit corporation for the purpose of constructing multi-family or single family housing which will be sold to low-income people.

I represent Habitat For Humanity of Missoula which is an ecumenical Christian housing ministry that builds simple decent houses WITH (not for) very low income people and then sells the house to them at No profit and No interest with a typical 30 year mortgage. The mortgage repayment is recycled to build more houses. Jimmy & Rosalynn Carter are the most famous volunteers.

We have built 3 houses in Missoula, putting 18 people (13 children) into simple, decent, safe, warm and affordable shelter. They have become property taxpayers. We plan to build WITH 2 more families this year, 1993 - (16 people-incl 12 children).

(Habitat for Humanity of Missoula has only been in existance 3 years. We were incorporated as a non-profit organization in the State of Montana in May, 1990. Habitat For Humanity International is 17 years old. We are moving to break the cycle of poverty one family at a time.)

After this year, we have no more property and no leads of acquiring property at a price at which we can afford to build a house and sell it to a low income family. No one seems to be willing to donate or even to sell any suitable property at a low cost - we have several real estate agents always looking for us.

Flathead Valley Partners, (the Habitat affiliate in Kalispell-Whitefish-Columbia Falls-Bigfork) is experiencing an even greater escalation of property values than the Missoula Valley has seen.

The passage of Senate Bill 215, would benefit Habitat affiliates all over the state - Kalispell, Missoula, Bozeman, Great Falls, Helena, Billings all have affiliates, with the Butte area and Polson wanting to start. We also hear that some areas of eastern Montana and the Bitterroot Valley are interested in starting Habitat affiliates.

Well built, affordable housing for low income families is greatly needed in this state. This bill has the potential to help us (Habitat For Humanity) build affordable housing. It could allow funds, which are donated to us, to go much farther, much faster.

In partnership,

Marjorie L.C. Burgan
President of the Board of Directors

P.O. Box 7181 Missoula, Montana 59807

EXHIBIT 9
DATE 3/16/93
SB 215

HABITAT for HUMANITY of MISSOULA

A decent house, in a decent community for God's people in need,
Capital, not charity, & Co-workers, not caseworkers.
It works!

February 2, 1993

Senator Ed Kennedy, Chair
Senate Local Government Committee
Room 405 Capitol Building
Helena, MT 59601

Dear Senator Kennedy,

WE THE UNDERSIGNED, ATTENDING THE ANNUAL MEETING OF HABITAT FOR HUMANITY OF MISSOULA, **URGE THE PASSAGE OF SENATE BILL 215** WHICH ALLOWS COUNTIES AND MUNICIPALITIES TO DONATE LAND TO A NON-PROFIT FOR THE PURPOSE OF CONSTRUCTING MULTI-FAMILY OR SINGLE FAMILY HOUSING WHICH WILL BE SOLD TO LOW INCOME PEOPLE.

Sincerely,

Debra Folsom 706 E. Travois Msla 59802
David Grossteiner 2609 Sky Dr. Missoula 59801
50 Mullan Gulch Road St. Regis, MT. 598
Tim Fagg 418 Plymouth St. Missoula
Bill Sanare 4321 TIMBERLANE MISSOULA, MT 59802
Jeff & Mary Ellen Stucko 9180 Sharptail Msla., MT 5980
Vicki & Walt Tomaszek 143 Fairway Dr. Missoula, MT. 59803.
Larry & Wanda Hanson 2626 palmer Apt B Missoula, MT 59
Ray & Susan Bisila 302 S. 4th W. Missoula, MT. 59801
Jack Cole 19 GREENBRIAR LANE, MISSOULA, MT 59802-3301
Camellia D. Cooper 116 Wapikiya Dr. MSLA
M. A. Cooper 116 Wapikiya Dr. MSLA
Becky Kress 120 Wapikiya Missoula
Fran Higinbotham 3318 Hollis msla, MT. 59801
Laura J. Gooley 615 Dickinson St. Missoula, MT. 59802

(over)

Dean L. Kuenzig	656 Evans Ave. Msla, MT 598
Susie Rich	302 S. 4th W. Msla. MT 59801
James & Pat Sisi	247 S. Eaby St Msla MT 59802
Walter Hansen	909 Parkview Dr MSLA M 59803
	1010 Lynn Ln Msla MT 59801
Bob Raney	
Ted P. Richmond	523 Dearborn Ave Msla MT 59801
Sharon Hill. McCrea	908½ Elm Missoula, MT 59802
Rick Taylor	2404 RATTLESNAKE, MISSOULA, MT 59802
THOMAS DoLese	238 E Sussex, Missoula, MT 5980
Olive L. Rodgers	2903 Duncan Dr., Missoula, MT 59802
Winifred Osburn	3208 Bancroft Missoula Mt 5980
[illegible]	219 S. 4th St. W. Missoula, MT 598
WAYNE ERDMAN	P.O. 3023, " " 598
Eleanor Bussing SP	1141 Cleveland " " 59801
Heather Mosbick	219 S 4th W. Msla 5980
Brenda J Hollaird	2612 Cardinal Dr Missoula 59803
Mark J Jackson	3000 Owen St. Missoula 59801
Dorothy Bussing SP	1141 Cleveland " " 5980
Mac Mahaffy	9125 Sharptail Dr. Msla, MT. 59802
Catherine Matthews	120 Craighead Msla MT 59801
Shirley Hales	801 Cottonwood Msla, Mt 59801
Dorothy Byrne	509 Hastings Msla, Mt 59801
Peggy Stellmach	2327 W. Vista - Msla, Mt. 59803
Carey L. Graham	30 Willowbrook Missoula, MT 59802
Lon Graham	216 Gullion Missoula, Mt 59803
Dr. Elizabeth Olsen, DVM	2330 Cottage Court #A, Missoula 59

EXHIBIT 10
DATE 3/16/93
SB SB215

Phone: 406-523-4718
March 4, 1993

Norm Wallin, Chair
House Committee on Local Government
Capital Station
Helena, Montana 59620

Dear Chairman Wallin:

On behalf of the Missoula Housing Task Force, we urge you to pass Senate Bill 215, which would allow local governments to donate land to non-profit organizations for the purposes of constructing housing for low income households. The Missoula Housing Task Force includes representation from over 35 community organizations and businesses including: all of Missoula's banks and savings and loans; Montana People's Action; Missoula County Association of Realtors; Missoula Building Industry Association; Missoula Food Bank; Missoula Housing Authority; District XI Human Resource Council; Missoula Habitat for Humanity; Alliance for the Mentally Ill; Aging Services; Summit Independent Living, Inc. (disabled advocate); Missoula Head Start; Poverello Center (Homeless Shelter); Stepping Stones (mentally disabled); WORD; YWCA; Refugee Assistance Council; The University of Montana; and individual property managers, developers, planners, and numerous city and county agency staff.

The Task Force as a whole has developed, endorsed, and is implementing over 35 recommendations to improve the availability of safe, healthy, affordable housing in Missoula. One of these recommendations is that Habitat for Humanity take the lead in pursuing the legislation necessary to permit the donation of land for affordable housing purposes. This ability is particularly critical in Missoula, where land values have increased substantially over the past two years in response to our severe housing shortage.

Missoula's vacancy rate for rental units is effectively less than 1%, and that for single-family homes is estimated to be less than 3%. Data indicates that average rental cost for a moderate 2-bedroom apartment have increased at least 40% since spring of 1990, and average home purchase cost has increased by 20%. In the face of these costs, affordable housing for rent or purchase is in very short supply. New construction of affordable units is a critical need.

Data from the survey commissioned by the Task Force indicates that over half the household in Missoula make less than $25,00 year. It is not possible for the market to construct new housing inexpensively enough to be affordable to many of these households. Enabling local governments to donate land will provide one tool in helping cut the cost of new construction so that housing will be available to the majority of Missoulians who can not afford more than $500/month rent or $600/month in mortgage payments.

Again, we urge you and the members of your committee to pass Senate Bill 215, and give us one tool we need to address our housing affordability needs.

Sincerely:

Fern Hart, Co-Chair
Commissioner, Missoula County

Daniel Kemmis, Co-Chair
Mayor, City of Missoula

EXHIBIT 10
DATE 3/16/93
SB 215

EXHIBIT 11
DATE 3/16/93
SB 5B 215

HABITAT FOR HUMANITY OF GALLATIN VALLEY

P.O. Box 174
Bozeman, Montana 59771-0174
406/586-6678 · 406/586-6726

March 16, 1993

House Local Government Committee
Representative Norm Wallin, Chair
Representative Ray Brandewie, Vice Chair

I am Robert Ward of Bozeman and am speaking for the passage of SENATE BILL 215 which will allow municipalities and counties to donate land to a non-profit corporation for the purpose of constructing multi-family or single family housing to be sold to low-income people.

I represent HABITAT for HUMANITY of GALLATIN VALLEY, a non-profit organization dedicated to providing adequate housing for families with low economic resources. In 1991 a family moved into the first house our group built in Bozeman. In February of this year a second family moved into the next house. We plan to build more as land and resources are acquired.

Our most urgent and difficult problem at this time is securing affordable land upon which to build. By the time we purchase land and build homes, the cost becomes prohibitive for the potential homeowner.

A home is sold to the family at no profit with approximately a 20-year, no-interest mortgage. The monthly payments include the full cost of taxes and insurance as well as the amount for gradual repayment of the loan's principal. The potential homeowners do not make a high enough income to obtain a conventional loan.

Therefore, if county and city municipalities can donate land for non-profit housing units, the families' payments can be within their economic means.

Through volunteer labor and donations of money, materials, and management expertise, HABITAT builds these homes with the help of the future homeowners, who are required to invest sweat equity hours. This partnership reduces the cost of the house, increases the pride of ownership and fosters positive relationships within our communities. The homeowners monthly mortgage payments are then "recycled" to support the construction of future homes.

Another important advantage of building these homes will be that the sites and residences will be added to the tax rolls.

I strongly recommend and ask you to vote for the passage of SENATE BILL 215.

In partnership,

Robert R. Ward, Member of the Board of Directors

HABITAT FOR HUMANITY INTERNATIONAL

HOUSE OF REPRESENTATIVES
VISITOR'S REGISTER

LOCAL GOVERNMENT COMMITTEE BILL NO. SB 215

DATE 3/16/93 SPONSOR(S) Senator Van Valkenburg

PLEASE PRINT PLEASE PRINT PLEASE PRINT

NAME AND ADDRESS	REPRESENTING	SUPPORT	OPPOSE
Peggy Stelbrach 3327 W. Vista Missoula, Mt.	Habitat for Humanity SB 215	✓	
Thomas Payne	Habitat for Humanity SB 215	✓	
Bob Ward	" " " SB 215	✓	
Curt Larsen	Habitat for Humanity,	✓	
Glenn Johnson	" " "	✓	
Belinda Rinker	HRDC - Bozeman	✓	
Judith H Carlson	HRDC Dir Assn	✓	
Bill + Dorothy Byrne	Habitat for Humanity	✓	
Mary Nunt	Habitat for Humanity	✓	
Beverly Gibson	MACo	✓	
Clyde Daly	MSCA	✓	

PLEASE LEAVE PREPARED TESTIMONY WITH SECRETARY. WITNESS STATEMENT FORMS ARE AVAILABLE IF YOU CARE TO SUBMIT WRITTEN TESTIMONY.

MINUTES

MONTANA HOUSE OF REPRESENTATIVES
53rd LEGISLATURE - REGULAR SESSION

COMMITTEE ON LOCAL GOVERNMENT

Call to Order: By **CHAIRMAN NORM WALLIN**, on March 25, 1993, at 3:00 p.m.

ROLL CALL

Members Present:

Rep. Norm Wallin, Chairman (R)
Rep. Ray Brandewie, Vice Chairman (R)
Rep. Ellen Bergman (R)
Rep. John Bohlinger (R)
Rep. Dave Brown (D)
Rep. Tim Dowell (D)
Rep. Dave Ewer (D)
Rep. Stella Jean Hansen (D)
Rep. Jack Herron (R)
Rep. Ed McCaffree (D)
Rep. Sheila Rice (D)
Rep. Tim Sayles (R)
Rep. Liz Smith (R)
Rep. Randy Vogel (R)
Rep. Karyl Winslow (R)

Members Excused: Rep. Diane Wyatt (D)

Members Absent: None.

Staff Present: Bart Campbell, Legislative Council
Pat Bennett, Committee Secretary

Please Note: These are summary minutes. Testimony and discussion are paraphrased and condensed.

Committee Business Summary:

Hearing:	None
Executive Action:	SB 358, SB 298, SB 332, SB 189, SB 157, SB 215, SB 364, SB 288, SB 316

EXECUTIVE ACTION ON SB 358

Motion/Vote: **REP. VOGEL** moved to reconsider SB 358. Motion carried unanimously.

Discussion: **REP. VOGEL** offered amendments for SB 358, requiring Yellowstone County to get at least two appraisals prior to the sale of the nursing home. **EXHIBIT 1**

EXECUTIVE ACTION ON SENATE BILL 189

Discussion: **REP. BRANDEWIE** asked **Cort Harrington, Montana Treasurer's Association,** to address the problems with the bill.

Mr. Harrington noted the problem concerned the requirement that if the property taxes are assessed or levied they must be paid. There is a question that if January 1 is the assessment date the taxes are not known. He recommended changing an "or" to an "and" on page 2, line 9 and on page 7, line 1. This change would require that the taxes be both assessed and levied at the same time. **EXHIBIT 3**

REP. BOHLINGER informed the committee of a fax he received from Yellowstone County which stated SB 189 would provide an effective remedy for problems the county has encountered with property in tax default.

Motion: **REP. BOHLINGER MOVED SB 189 BE CONCURRED IN.**

Motion/Vote: **REP. BRANDEWIE** moved to amend SB 189. **EXHIBIT 3** Motion carried unanimously.

Motion/Vote: **REP. BRANDEWIE MOVED SB 189 BE CONCURRED IN AS AMENDED.** Motion carried unanimously.

EXECUTIVE ACTION ON SENATE BILL 157

Discussion: **CHAIRMAN WALLIN** informed the Committee that he had conferred with Greg Petesch, Chief Legal Counsel, Legislative Council, who has said this legislation is legal. With SB 157, property could be transferred from the county to the city.

Motion/Vote: **REP. McCAFFREE MOVED SB 157 BE CONCURRED IN.** Motion carried unanimously.

Motion/Vote: **REP. VOGEL** moved to put SB 157 on the consent calendar. Motion carried unanimously.

EXECUTIVE ACTION ON SENATE BILL 215

Discussion: **REP. BOHLINGER** said SB 215 would give Habitat for Humanity and other groups trying to provide housing for low income people a piece of real estate on which to place a dwelling unit. It is an opportunity to turn a piece of property which pays no taxes and is a blight on the community into a tax paying residence.

Motion: **REP. BROWN MOVED SB 215 BE NOT CONCURRED IN.**

Motion/Vote: **REP. DOWELL MADE A SUBSTITUTE MOTION THAT SB 215 BE CONCURRED IN.** Motion carried 14-2 with **REPS. MCCAFFREE** and **BROWN**

opposing.

EXECUTIVE ACTION ON SENATE BILL 364

Discussion: **REP. BOHLINGER** explained his proposed amendment to SB 364. **EXHIBIT 4** The amendment will address the concerns of the City of Billings as well as the Neighborhood Task Force of property values being diminished.

REP. BRANDEWIE commented that he appreciates **REP. BOHLINGER'S** efforts, however, SB 364 will still tear apart zoning regulations in every city and municipality in Montana. It will also affect the multi-family dwelling ordinances. **REP. BRANDEWIE** noted that if student housing was needed it should be the universities who accommodate them rather than destroying communities to solve the problem.

REP. EWER noted that zoning is a policing power with regard to congestion, noise, traffic, etc., but should not be used for something as arbitrary as relationships. He stated he did not feel the amendment was necessary and he supports the bill.

REP. BRANDEWIE expressed his opposition based on the fact that the bill states that a municipality may not regulate the number of residents in a dwelling.

Motion: **REP. BOHLINGER MOVED SB 364 BE CONCURRED IN.**

Motion/Vote: **REP. BOHLINGER** moved to adopt the amendments to SB 364. **EXHIBIT 4** Motion carried 14-2 with **REPS. DOWELL** and **HERRON** opposing.

Motion/Vote: **REP. BROWN MOVED SB 364 BE CONCURRED IN AS AMENDED.** Motion carried 12-4 on a roll call vote.

EXECUTIVE ACTION ON SENATE BILL 288

Discussion: **REP. McCAFFREE** recommended the inclusion of all special districts so that all entities in government will be allowed to dispose of old records. **Mr. Campbell** referred the committee to the definition of local governments on page 2, subsection 1 saying he did not feel that definition was inclusive enough to address **REP. MCCAFFREE'S** concerns. **Mr. Campbell** suggested including "any subdivision of an entity named in subsection 1a." The committee agreed with the recommendation.

Motion: **REP. BRANDEWIE MOVED SB 288 BE CONCURRED IN.**

Motion/Vote: **REP. MCCAFFREE** moved to amend SB 288. **EXHIBIT 5** Motion carried unanimously.

Motion/Vote: **REP. VOGEL MOVED SB 288 BE CONCURRED IN AS AMENDED.**

HOUSE STANDING COMMITTEE REPORT

March 26, 1993

Mr. Speaker: We, the committee on Local Government report that Senate Bill 215 (third reading copy -- blue) be concurred in .

Signed: _____

Norm Wallin, Chair

Carried by: Rep. Bergman

Committee Vote:
Yes ___, No ___.

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